

Message Text

MRN: 1976CAIRO 002735 SEGMENT NUMBER: 000001 ERROR READING TEXT INDEX
FILE; TELEGRAM TEXT FOR THIS SEGMENT IS UNAVAILABLE
ADP000
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47
ACTION OES-05

INFO OCT-01 NEA-10 ISO-00 NAS-01 AID-05 CU-02 USIA-06 SP-02

L-03 IO-11 FS-01 ABF-01 AGR-05 CIAE-00 COME-00

DODE-00 DOTE-00 EB-07 EPA-01 HEW-02 HUD-01 INR-07

INT-05 LOC-01 NASA-01 NSAE-00 NSF-01 OMB-01 SMI-01

TRSE-00 /081 W
----- 076353

R 011621Z MAR 76
FM AMEMBASSY CAIRO
TO SECSTATE WASHDC 569
INFO AMEMBASSY ROME

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PASS NSF, HEW, AGS, OOC, SMI,DOI, DOT, EPA, DOD ONR, NAS, AID

ROME FOR ERRO

B) TRAVEL BUDGETS SHOULD NOT CONSUME A DISPROPORTIONATE
SHARE OF PROJECT FUNDING.

C) PER DIEM PAID SHOULD NOT EXCEED NORMAL US RATES.

VII. ANCILLARY AND OVERHEAD COSTS; BUDGET DOCUMENTS:

A) AGENCIES SHOULD INSURE THAT OVERHEAD COSTS INCLUDING
SUPPORTING PERSONNEL, CONTINUING OPERATING COSTS AND ADJUSTMENTS
FOR INFLATION ARE REASONABLE.

B) UNUSUAL COSTS, DEVIATIONS AND, WHERE NECESSARY,
SUPPORTING STAFF RESPONSIBILITIES SHOULD BE SPECIFICALLY
EXPLAINED IN APPROPRIATE PROJECT DOCUMENTS.

C) ALL BUDGET DOCUMENTS SHOULD BE COMPLETE AND ITEMIZED.
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VIII. REPORTING OF RESULTS:

A) AGENCIES SHOULD ENSURE THAT RESEARCH REPORTS ARE COMPREHENSIVE AND INCLUDE WHENEVER APPROPRIATE AN INDICATION OF APPLICABILITY TO EGYPTIAN PROBLEMS AND CLEARLY STATE POTENTIAL BENEFITS IN THAT CONTEXT.

B) EGYPTIAN RESEARCHER AND INSTITUTIONS SHOULD BE ENCOURAGED TO GIVE REASONABLY WIDE DISTRIBUTION TO REPORTS.

C) THE AMERICAN EMBASSY SHOULD IN ALL INSTANCES BE PROVIDED WITH A COPY OF ALL REPORTS, WHICH WE WILL MAKE AVAILABLE TO GOE. (THIS DOES NOT PRECLUDE RESEARCHERS FROM GIVING REPORTS TO THEIR OWN AGENCIES).

IX. EXPANSION OF COOPERATION:

AGENCIES ARE ENCOURAGED TO MAKE A POSITIVE EFFORT TO ESTABLISH A NEW INSTITUTIONAL RESEARCH LINKS WITHIN THE FRAMEWORK OF PROGRAM CEILINGS. EMBASSY WILL ASSIST TO THE EXTENT POSSIBLE IN THE IDENTIFICATION OF OPPORTUNITIES.

X. LINKAGE TO AID DEVELOPMENT ASSISTANCE:

A) AGENCIES SHOULD BE AWARE OF AID'S CAPABILITIES IN ASSISTING RESEARCH ACTIVITIES THROUGH: (A) SHORT TERM TRAINING IN THE US OF EGYPTIAN SCIENTISTS AND RESEARCHERS, (B) SUPPORT OF CONSULTANTS, TRAINING TEAMS, AND SURVEYS IN EGYPT AND (C) THE USE OF THE COMMODITY ASSISTANCE LOAN PROGRAM.

BY DEFINITION, SFCP ACTIVITIES MUST BE RESEARCH RATHER THAN TECHNICAL ASSISTANCE. NEVERTHELESS ANY INDIVIDUAL PROJECT MAY WELL HAVE A LARGE TECHNICAL ASSISTANCE COMPONENT. WHERE THIS IS THE CASE, INVESTIGATORS OR OTHERS SHOULD COORDINATE FULLY WITH AID ON ALL RELEVANT MATTERS, AND PARTICULARLY ON THE PROJECTED UTILIZATION OF AID FUNDING AND ON COMPENSATION PAID RESEARCHERS FOR TECHNICAL ASSISTANCE ASPECTS OF ACTIVITIES.

B) AID IS CONTINUING TO DEVELOP CHANNELS AND GUIDELINES FOR ASSISTING SFCP ACTIVITIES WHICH HAVE A CLOSE LINKAGE TO LIMITED OFFICIAL USE
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EGYPT'S DEVELOPMENTAL NEEDS.

C) AID PROCEDURES FOR PROJECT DEVELOPMENT MUST BE FOLLOWED FROM ONSET IN ALL INSTANCES WHERE AID FUNDING IS TO BE SOUGHT.

CI. PROCEDURES AND CLEARANCES:

A) AGENCY REPRESENTATIVES SHOULD STAY IN TOUCH WITH

EMBASSY SCIATT AS PROJECTS ARE NEGOTIATED. IN PARTICULAR, HE SHOULD GET AT LEAST AN ORAL SUMMARY OF RESULTS AT END OF NEGOTIATING AND INSPECTION TRIPS TO EGYPT BY AGENCY REPS, AS WELL AS COPIES OF TRIP REPORTS, RECOMMENDATIONS AND PERTINENT DOCUMENTS.

B) SCIATT SHOULD BE PROVIDED WITH A COPY OF PROPOSALS IN FINAL FORM AFTER NEGOTIATIONS HAVE BEEN COMPLETED BUT BEFORE AGENCIES HAVE SIGNED AND FORWARDED GRANT DOCUMENTS. THIS MIGHT BE DONE AT THE SAME TIME AGENCIES ARE COMPLETING FINAL PROJECT REVIEW BEFORE SIGNATURE.

C) EMBASSY WILL REVIEW PROPOSALS FOR POLICY SENSITIVITIES AND IN CONTEXT OF GUIDELINES, BUT NOT FOR TECHNICAL MERIT, AND WILL GIVE CONCURRENCE OR, IF REQUIRED, REQUEST CLARIFICATION. IN THIS WAY, WE WILL HAVE AN OPPORTUNITY TO REVIEW PROPOSALS, AND IF NECESSARY CONSULT WITH EGYPTIAN AUTHORITIES (E.G. MFA) BEFORE GRANTS OR CONTRACTS ARE SIGNED AND FORWARDED.

D) AFTER EMBASSY CONCURRENCE, DOCUMENTS CAN BE SIGNED AND/OR FORWARDED THROUGH DEPT IN NORMAL WAY TO EMB TO SECURE EGYPTIAN SIGNATURES.

E) EMBASSY CONCURRENCE TOGETHER WITH NORMAL DEPT CLEARANCE SHOULD BE TAKEN AS THE REQUIRED FOREIGN POLICY CLEARANCE.

F) ALTHOUGH EGYPTIAN RESEARCHERS MUST, OF COURSE, COMPLY WITH ALL REQUIRMENTS IMPOSED BY GOE, AGENCIES SHOULD NOT ENCOURAGE EGYPTIAN COLLABORATORS TO ON THEIR OWN SEEK CLEARANCES OR CONCURRENCES FROM MFA, ESPECIALLY AT PRELIMINARY STAGES OF PROJECT DEVELOPMENT. DEVELOPMENT AND IMPLEMENTATION OF THESE ARE A MFA RESPONSIBILITY. NEITHER SHOULD AGENCIES CONSULT DIRECTLY WITH MFA ON PROJECTS. IF LIMITED OFFICIAL USE
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PROBLEMS ARE FORESEEN, OR CLARFICATIONS NEEDED, AGENCIES SHOULD BRING THE MATTER TO EMBASSY'S ATTENTION.

PART II OF II:

5. WE RECOGNIZE THAT SOME FIGURES SELECTED ARE ARBITRARY; E.G. NO MORE THAN 50 PERCENT OF SALARY; 50 PERCENT OF TOTAL TIME, HOWEVER THESE HAVE BEEN SUGGESTED AFTER CONVERSATIONS WITH MFA OFFICIALS WHO ARE NOW REVIEWING PROPOSALS THEY RECEIVE DIRECTLY FROM EGYPTIAN AGENCIES FOR BUDGET AS WELL AS SECURITY AND "POLICY" ASPECTS. MFA IS REMANDING SOME WITH DIRECTED CHANGES. MFA, RECOGNIZES THE NEED FOR FLEXIBILITY AS WELL AS CONSISTENCY IN IMPLIMENTATION. THESE FIGURES REPRESENT AT NORMAL HIGH SIDE LIMITS IN NEGOTIATIONS AND NOT AUTOMATIC LEVELS IN EACH CASE.

6. EMBASSY FEELS WE NOW HAVE A GOOD TACTICAL POSITION WITH MFA. UNDER SECRETARY SHALABI HAS AGREED TO ACCEPT, IF AT ALL POSSIBLE, GUIDELINES DEVELOPED BY US AND TO USE THESE IN DEVELOPING PARALLEL PROCEDURES TO BE USED BY MFA IN DEALING DIRECTLY WITH GOE AGENCIES. SHALABI ALSO AGREED, THAT WHILE CLOSE LINKS WOULD CONTINUE BETWEEN MFA AND EMBASSY THESE WOULD BE INFORMAL, IN MOST INSTANCES THROUGH CONVERSATIONS BETWEEN HIS DEPUTY OR HIMSELF AND SCIATT. WHERE MFA SUGGESTS CHANGES TO GOE RESEARCHERS, E.G. BUDGET, EMBASSY WOULD BE INFORMALLY NOTIFIED AND WOULD HAVE THE OPPORTUNITY TO COMMENT OR TO SEEK CLARIFICATIONS FROM CONCERNED USG AGENCY. THIS WOULD BE DONE DURING PROJECT DEVELOPMENT STAGE. SHALABI ALSO SAID THAT, IN CASES WHERE THERE ARE PROBLEMS, HE OR NAMEK COULD BE TELEPHONED BY EMBASSY. HE WOULD NOT NORMALLY REQUIRE A DIPLOMATIC NOTE OR EVEN A LETTER. WE WILL, CONTINUE TO SUPPLY HIM PERIODICALLY WITH A LISTING OF ALL PROJECT APPROVALS AND PAYMENT AUTHORIZATIONS MADE BY EMBASSY. WE WILL ALSO CONSULT WITH HIM INFORMALLY WHEN WE SEE POTENTIAL PROBLEMS. HE, IN TURN, EXPRESSED DESIRE TO MAKE GOE AND USG CLEARANCE PROCEDURES COMPATIBLE.

7. WITH RESPECT TO COMPENSATION, SHALABI LESS CONCERNED ABOUT PARTICULAR AMOUNTS, WITHIN A CEILING (50 PERCENT) AS HE IS ABOUT WHO GETS IT AND UNDER WHAT CONDITIONS. HE WOULD LIKE TO SEE LWRGBNR VRRCE
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W HZNBENTIVES RELATIVE TDSSALARY GG TO
YOUNGER AND MIDDLE
FVEL RESFSGKHASJLHAYWOV
AQY
TAACXSESKJPNDOKL
FQSMCJWHHTTPTKYOCRAL RESPONSIBILITIES.
VEN HERE HSSRDYLS DASOME VED
FOR FLEXIBILITY IF THE SENIOR OFFICAL IS
RENOWNED SPECIALISTGMOH
SQUITTING YIN HPF OWN TIME ON A PROJECT.#
THE KEY IS PUTTING IN TIME. AT ALL LEVELS, IT MUST BE CLEAR
THAT THERE IS A RELATION BETWEEN COMPENSATION, TIME CLAIMED
AND THE REQUIREMENTS OF THE SPECIFIC PROJECTOT ANOTHER SORTYDSXVQTD
YWXMJNYZI D
CTWHNY#
POINT, IS TOTAL TIME SPENT IN SFCP WORK BY ANY SINGLE RESEARCHER.
THIS MUST BE A RATIONAL FIGURE AND SHOULD NOT ENCROACH UNDULY
ON REQUIREMENTS OF GOE POSITION.

8. COMMENT:

ALTHOUGH MFA HAS RELAXED ON PROCEDURAL REQUIRMENTS AND
HAS EVEN AGREED TO SEND SOME OF THEIR INTERNAL ECOMMENDATIONS

TO EMBASSY FOR OUR VIEW, SFCP COORDINATION IS TAKEN SERIOUSLY
BY MFA. SHALABI AND HIS DEPUTY AHMED NAMEK SPENT THREE HOURS
WITH SCIATT AT ONE SITTING GOING OVER MUTUAL CONCERNS. IT IS
DESIRD THAT PROGRAM DEVELOP SMO
MXLLNS#BUT THERE IS A
DETERMINATION THAT WHAT ARE CALLED ABUSES AND LOOSE PRACTICES
CEASE. NAMEK SHOWED SCIATT SEVERAL FILES WHERE HE POINTED
OUT WHAT HE CALLED INFLATED COSTS; E.G. LE 7?,000#FOR AN AUTO
(HIS COMMENT WAS "THEY WANTED A MERCEDES").

9. MFA IS CONSIDERING ESTABLISHING AN SFCP INTERAGENCY
COMMITTEE. AT THE MOMENT THEY ARE ASKING FOR OUR ASSISTANCE
IN DEVELOPING PROCEDURES. IF, HOWEVER, OUR PRACTICES PROVE
INCOMPATIBLE WITH THEIR GOALS, THEY CAN BE EXPECTED TO TIGHTEN
UP REQUIREMENTS ONCE AGAIN, PERHAPS MAKING PROCEDURES
EVEN MORE DIFFICULT.
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NOTE BY OC/T: SECTION 2 OF 2 CAIRO 2735, PARAS 7 AND 8 # AS
RECEIVED. CORRECTIONS TO FOLLOW.

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Message Attributes

Automatic Decaptioning: X
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Copy: SINGLE
Draft Date: 01 MAR 1976
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Disposition Authority: morefirh
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04 MAY 2006

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